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LATIN AMERICAN TRENDS

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ANNEX

Argentina: Status of the Military Junta

The military junta headed by President Videla has achieved no dramatic breakthroughs on major problems in the three months since it seized power, but there have been encouraging signs, particularly, on the crucial economic front. The next few months will be decisive, as presidential critics and supporters alike wait to see whether these indications point toward real progress or eventual disappointment.

President Videla faces a formidable public relations challenge, aside from the magnitude of the economic and terrorist problems. He must, on the one hand, proceed quickly and firmly enough to satisfy fellow officers. On the other hand, he cannot push the country's highly politicized citizenry to the point of dissipating the popular acceptance the junta has painstakingly nurtured. For the moment, the military as a whole seems disposed to go along with Videla's low-key gradualist approach to governing. Some officers' patience could be tried, however, if the pace of progress does not quicken. Popular resistance has not yet been a factor, but political restrictions and economic austerity measures could yet lead to widespread dissatisfaction.

President Videla is well suited for the balancing act he must perform. He has impeccable military credentials and the respect of his fellow officers, even though there has been criticism of some aspects of his style. Civilians see him as a man with no thirst for power, and one who took the reins of government reluctantly.

Videla and the junta have made an obvious effort to project a low-key public image. The president sets the tone;his appearance is austere and he makes

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no promises, preferring to repeat his call for hard work. Other officials display the same attitude. Economy Minister Martinez de Hoz, for example, although charged with overseeing the fundamental overhaul of the nation's economy, describes his job in matter-of-fact terms and also avoids the temptation to make promises.

The government is not so much modest as practical. Videla and his colleagues fully realize the danger of setting unrealistic goals that risk widespread alienation if progress is not made. The public statements of junta spokesmen are a contrast to the extravagant behavior and lavish promises made by the ousted Peronists. So far, the President and his advisers seem to have succeeded in impressing their countrymen with the need for personal sacrifice in the interest of restoring economic health to the nation. Videla is banking on his continuing ability to make such sacrifices palatable to a self-indulgent citizenry.

From the outset, Videla has walked a fine line between authoritarianism and respect for civilian institutions. Congress is dissolved, all political activity is banned, and the media are restricted. The President has stopped short of cutting civilians out of the governing process entirely, however. A number of key advisers are civilians and the principal political parties remain intact, as does the huge Peronist labor confederation. Videla is not squeamish about using authority to accomplish the tasks before him, but he does see limits to the amount of power he needs.

Restoration of the shattered economy remains the most pressing, if not the most spectacular, challenge facing the junta. Economy Minister Martinez de Hoz has had some success in reducing the worst inflation in Argentina's history and attracting badly needed financial support from abroad, but there is still a long way to go. The economic team has a

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far-reaching program that envisions revitalization of the private sector and aims to reduce the government's role in certain economic activities, such as energy production. The foreign investment law has been rewritten to remove most of the restrictions on foreign capital and profit remittances.

Agriculture, long neglected, has received a package of new incentives. There has been no significant popular resistance to the economic program, but the prospect for continuing unquestioning acceptance of austerity measures by a society long accustomed to the "good life" cannot be considered promising. Labor, in particular, has been severely affected by the new economic program, a categorical repudiation of Peronist policies that made urban workers the most influential civilian sector. Deprived suddenly of its predominance, the union movement may be ripe for exploitation by leftist infiltrators who will harp on the themes of rising prices and lack of union autonomy.

Indeed, despite political controls, Argentine labor remains the most important source of potential opposition to the military's policies. Although the government has not yet faced a major challenge from workers, there have been sporadic work stoppages and slowdowns in major industrial plants. Such activity alarms the junta, both as a challenge to its authority and a threat to economic productivity. Thus far, the regime has faced down such protests by furloughing the ringleaders. It has made clear, however, its willingness to use force if necessary.

The activities of leftwing terrorists are the junta's other major preoccupation. The terrorism problem is dramatic and virulent and has plagued civilian and military governments alike since the late 1960s. The guerrillas do not pose a direct threat to government stability. Nonetheless, the military is committed to rooting them out and Videla's handling of the situation is one criterion on which he will be judged, particularly by fellow officers.

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The army appears to have made inroads against rural and urban insurgents. In the remote province of Tucuman, government forces are reportedly killing or capturing greatly increased numbers of Peoples Revolutionary Army combatants, while destroying more and more safesites and sources of supplies.

The urban terrorism mounted by the Peoples Army and more importantly by the leftist Montoneros is more difficult to handle. The insurgents' hit and run tactics are extremely effective in the metropolitan sprawl of Buenos Aires, and even now the appeal of the terrorist groups for youthful Argentines--the main source of recruits--is not entirely dissipated despite increasing reports of government successes against them. Still, it will be some time before the success of the military's aggressive campaign can be judged, because bombings and guerrilla attacks on officials are continuing. During the past two weeks, for example, terrorists murdered several military officers, including the second federal police chief in two years.

Videla may eventually have serious difficulty with military critics who urge him to take a much tougher approach to the problem. The thrust of their argument is that in order to eradicate the guerrillas, who hide among and draw some support from the populace, the government must impose stronger controls on the whole population to deny the terrorists all hiding places and means of support. The durability of the insurgent movement seems to strengthen this argument. In addition, the so-called "hardline" officers want vengeance against the former civilian leaders whose corruption and incompetence, they feel, led Argentina to near chaos. The advocates of repression, therefore, are pressing for virtually unlimited arrest powers, dissolution of all political groupings, and the dismemberment of the entire labor movement.

The President is no less committed to a "fight to the finish" with terrorism, but he sees the

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"hardline" approach as counterproductive. Videla wants to avoid the sort of international opprobrium that has been aimed at Chile because of human rights violations. Such disapproval has hurt the Chileans and could have a similar effect on Argentina at a time when its economic planning depends in large part on further infusions of foreign financial support. Videla is also mindful of the significant political divisions within his country, which would almost certainly be intensified by vindictive government measures.

Videla, unlike the "hardliners," clearly sees some role for civilians in governing, even if the military remains in power indefinitely. The President's public attitude toward civilians is conciliatory and his advisers are engaged in an ongoing dialogue with certain untainted politicians and labor leaders. This approach has drawn the fire of the President's critics. As yet, however, they appear undecided as to what, if anything, to do about it.

Although Videla is not now in any serious trouble, the "hardline" is already a factor, and its appeal may widen, especially if progress on major national problems is judged to be too slow. The rightwing abductions and murders of known and suspected leftists, although not sanctioned by the regime, clearly have the sympathy of a number of military officers, some in key positions. The President's efforts to end the right wing abuses have had limited success at best, and there are practical limits to how far he can go. To challenge the right wing too strenuously could conceivably be counter productive.

Military rule has come to stay for the foreseeable future. How repressive it becomes depends on Videla's ability to deal with the problems that prompted military intervention in the first place. It is not inevitable that the "hardline" will win out and oblige the President to do things its way or replace him. Indeed, in the next few months it

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seems likely that if Videla can produce additional results, he will weaken the arguments of his critics. For this very reason, of course, some "hardliners" will want to press the President even harder, lest he gain the time he needs to vindicate his approach.

It is also true, however, that Videla would sooner resort to harsher military rule--in the event of serious popular resistance--than consider an early return to civilian rule. The President, no less than the "hardliners," believes that no individual civilian political figure or movement could effectively govern. If Videla and his supporters have their way, civilians can look forward to at least a limited input into government. If Videla loses out, they will not have even this.

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